



Defense Finance and Accounting Service Military Retired Pay Newsletter

July 2003

Combat-Related Special Compensation

Combat-related special compensation was authorized by the FY 2003 National Defense Authorization Act for certain retirees with combat or operations-related disabilities. To be eligible, retirees must have 20 years of service for retired pay computation and have a disability for which they received a Purple Heart and are rated at least 10 percent disabled, or have 20 years of service for retired pay computation and be rated at least 60% disabled because of armed conflict, hazardous duty, training exercises or mishaps involving military equipment.

Payments are currently considered tax exempt and will equal the amount of VA disability compensation for combat-related disabilities at the veteran-alone rates. Payments will be reduced for those retirees whose retired pay exceeds what they would have received for length of service.

Members must apply to their own branch of service using DD Form 2680, Application for CRSC. The form and address information are available online at: <http://www.dior.whs.mil/forms/DD2860.pdf>

Each Uniformed Service will review the applications of their own retirees, with the Department of the Navy reviewing applications for both the Navy and Marine Corps. Payments will be retroactive to June 1, 2003, for all approved applications, no matter when received, to the extent otherwise allowed in law, provided the applicant is otherwise qualified. Read more about CRSC at <http://www.dfas.mil/money/retired>

Contacting Retired and Annuitant Pay

When calling the Retired and Annuity Pay Contact Center customers should have pencil and paper handy to write down information provided by the customer service representative. Customers should be prepared to provide their Social Security Number or spouse's Social Security Number in the case of Annuitants.

To contact Retired and Annuity Pay Operations call 1-800-321-1080. Our business hours are 7 a.m. to 7:30 p.m. Eastern Standard Time Monday through Friday. Mondays and paydays (first business day of the month) are typically the busiest days of the week and month. Peak hours are between 10 a.m. and 2 p.m. EST.

Retirees and Annuitants can also e-mail pay inquiries at

<https://www.dfas.mil/s-retired/ret-pay.htm>. Simply fill out the required data fields and click submit at the bottom of the page. All e-mail inquiries are answered in five to seven business days.

Casualty Reporting Procedures

Retiree deaths should be reported to DFAS by calling 1-800-269-5170. Please be prepared to provide the retiree's name, Social Security Number and date of death along with contact information for the retiree's designated beneficiary or next of kin. Upon receipt of the casualty report, a DFAS representative will enter all information to initiate casualty processing.

Updating Your Address and Beneficiaries

To ensure proper receipt of tax documents, retiree account statements (RAS) and the latest retiree informational releases, it is important to keep mailing address current.

1. myPay offers convenient and secure access to your pay information
2. myPay is available via the Internet 24 hours a day, 7 days a week.
3. myPay delivers your Retiree Account Statement (RAS) before print mail
4. Changes made on myPay are effective the current pay period
5. With myPay, you have the confidence in knowing your pay information is accurate because you're in charge
6. Access mypay at <https://mypay.dfas.mil>.

myPay Features:

1. View and print Retiree Account Statement
2. View and print tax statements (1099)
3. Change federal and state tax withholding
4. Update bank account and EFT information
5. Manage financial allotments
6. Edit personal address information
7. Manage U.S. Savings Bonds

To use myPay, you must have a Personal Identification Number (PIN). If you do not have a PIN, you may obtain one by accessing myPay and clicking on "NEW PIN" or by calling 1-877-363-3677, and follow the prompts. A new random temporary PIN for your account will be mailed to your address of record. Please allow 10 business days for delivery.

Address changes can be made by telephone (1-800-321-1080), by fax (1-800-469-6559), by email (accessible at www.dfas.mil) or by mail to: Defense Finance and Accounting Service, US Military Retirement Pay, PO Box 7130, London, KY 40742-7130. It is also important to keep your beneficiary information up to date.

Occasionally a surviving spouse will not receive the retired pay portion of the last month the retiree was alive because this money went to someone who the retiree designated at retirement. Please check your most recent RAS to ensure that the beneficiary information listed is both current and correct. If your RAS reflects incorrect beneficiary information or is blank, you can send a written request for a beneficiary form to DFAS, US Military Retirement Pay, PO Box 7130 London, KY 40742-7130; or www.dfas.mil; or fax your request to 1-800-469-6559; or call 1-800-321-1080 and we will mail a form to you. Please include your name, social security number and current address. You can also print the beneficiary form located at the www.dfas.mil Web site and mail it to the address listed above.

Tax Change Information

The Federal Income Tax Withholding (FITW) rate for some annuitants and retirees may soon change with the implementation of the Jobs and Growth Tax Relief Reconciliation Act of 2003. Affected retirees and annuitants will notice that their Aug. 1, 2003 payments reflect lower tax rates. Revised Retiree Account Statements and Annuitant Account Statements will be sent to confirm the changes. In addition to the implementation of these new rates, the tax rate for withholding on one-time retired pay payments has been changed from 27% to 25%.

To adjust your FITW, please fax or mail a W-4 form to toll-free 1-800- 469-6559 or mail it to DFAS, US Military Retirement Pay, PO Box 7130, London, KY 40742-7130. IRS regulations require that a valid W-4 form be filed for any FITW changes (excluding those submitted via the myPay system). W-4 forms are available at <http://www.irs.gov>. Or you can link to the myPay system online at <https://mypay.dfas.mil> or call toll-free 1-877-363-3677. Please indicate your marital status, exemptions and additional withholding amount (if applicable) on the W-4 form.

Related Agency Phone Numbers

Air Force Personnel Center	1-800-558-1404
Air Force Reserve Center	1-800-525-0102
Army Res Pers Command	1-800-318-5298
DEERS	1-800-538-9552
Delta Dental	1-888-336-3260
HQ Marine Corps	1-800-336-4649
National Pers Records Ctr	1-314-538-4141
Naval Reserve Pers Center	1-800-535-2699
Navy Retiree Act Branch	1-800-255-8950
NSLI	1-800-669-8477
OSGLI	1-800-419-1473
Social Security	1-800-772-1213
Veterans Administration	1-800-827-1000
VA Burial Benefits	1-800-697-6947

SBP Reminder

Too often, the Office of Retired Pay denies Survivor Benefit Plan (SBP) benefits because retirees fail to update retired pay records when an event such as marriage, divorce, death or birth occur.

DFAS hears from former spouses who lost SBP because neither the former spouse nor the retiree notified DFAS within a year of the divorce that SBP was part of the divorce by sending a letter and a copy of the divorce decree.

To make sure your SBP beneficiary is prepared, keep a file of information that your spouse will need. Make sure your spouse knows what benefits to expect. Clip this article to your files as a reminder to keep your retired pay records current when your status changes.

For up-to-date information on SBP, please refer to the Frequently Asked Questions portion of our Web site <http://www.dfas.mil/money/retired>

NOTE: The SBP "paid up" provision which allows retirees to stop paying SBP premiums after 30 years of premium payment and reaching age 70 goes into effect October 1, 2008.

Stay informed

We have taken this opportunity to update you on recent changes to your Retired Pay account. For additional information, please continue to refer to your service publications and the publications prepared by various retirement organizations for other updates. Up-to-date information is always available at <http://www.dfas.mil>.